



Pillsbury Winthrop Shaw Pittman LLP
2550 Hanover Street | Palo Alto, CA 94304-1115 | tel 650.233.4500 | fax 650.233.4545

Wayne M. Whitlock
tel: 650.233.4528
wayne.whitlock@pillsburylaw.com

April 20, 2018

VIA EMAIL

Mr. Clay Rodgers
Assistant Executive Officer, Fresno
Central Valley Regional Water Quality
Control Board
1685 E Street
Fresno CA 93706-2007

**Re: Seneca Resources Corporation - Petition for Beneficial Use De-
Designation and Basin Plan Amendment – South Lost Hills
Oilfield - Lower Tulare and Etchegoin Formations - Revised
Technical Report**

Dear Clay:

We are writing to follow up on our meetings regarding Seneca Resources Corporation's Petition for Beneficial Use Designation and Basin Plan Amendment. In our meetings and phone conferences to discuss the proposal, Regional Board staff gave a number of comments on the Technical Report submitted as Exhibit A to the petition. Seneca agreed to conduct additional review and then revise the Technical Report to address those comments. The Revised Technical Report is enclosed, reflecting extensive additional review and the resulting revisions prepared by Seneca's Senior Geologist, Austin Roelofs and Kennedy/Jenks Consultants. Seneca's revisions:

- supplemented Section 3.2 with a more robust description of the mid-Tulare shale and its correlation with the regionally present Amnicola clay and Corcoran clay;
- expanded Section 5.2 with additional supporting information demonstrating vertical hydraulic containment provided by the mid-Tulare shale. Additional supporting information includes permeability measurements of mid-Tulare shale sidewall core samples and injection testing conducted on Tisdale well WD88-22; and

- added figures, tables and references to support the expanded sections of the report.

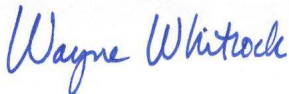
We trust these revisions address the staff's comments. The original petition remains as submitted; we are resubmitting only the Revised Technical Report. We would be happy to send copies of the document on a CD or USB flash drive; we also can send full-sized hard copies of the Technical Report's cross-sections, maps and other figures. Please let me know if you would like us to send one or more of these.

To confirm other matters discussed previously with you, Kennedy Jenks is preparing the draft report that Regional Board staff can review and adapt for its staff report on this matter. We expect to submit it in the next two to three weeks.

Further, the Regional Board staff had asked whether Seneca's proposal included de-designation of the AGR beneficial use in the specified portions of the Lower Tulare and Etchegoin Formations in the South Lost Hills Oilfield. De-designation of the MUN use is Seneca's primary focus because of its relationship to Proposition 65 and the Underground Injection Control program. However, Seneca agrees that the Technical Report also provides a strong basis for de-designation of the AGR use and that de-designation of both AGR and MUN would more accurately reflect the actual beneficial uses of the subject formations. Therefore, we support inclusion of the AGR use in the de-designation process, unless that would unduly complicate or extend the processing time for the MUN de-designation proposal.

Thank you for your input on Seneca's proposal. We look forward to proceeding with Seneca's proposal and will call to arrange further discussions of next steps and timing.

Sincerely,



Wayne M. Whitlock

Enclosure

cc: Mr. Daniel Cozad, Central Valley Salinity Coalition
Mr. Ben Elmore, General Counsel, Seneca Resources Corporation
Mr. Austin Roelofs, Senior Geologist, Seneca Resources Corporation
Mr. Todd Miller, Kennedy/Jenks Consultants
Mr. Gary Carlton, Kennedy/Jenks Consultants